Commercial Potential in the Lakeland Retail Trade Area

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Introduction

The purpose of this study is to quantify the current level of retail activity in the City of Lakeland and to identify categories of retail trade where potential may exist for additional businesses. The emphasis will be on retail and service industries that draw their market primarily from the expenditures of households.

Lakeland and surrounding communities in northeast Shelby County have experienced very substantial population and income growth over the past 15 years, and there are strong indications this growth will continue over the next several years. Consequently, this study provides data on the current (2007) Lakeland retail trade area, and looks ahead to the need for retail businesses in 2011 based on population growth projections. Recognizing that Lakeland businesses can and do draw from a wider area, a trade area that includes Lakeland, Arlington, parts of east Bartlett, and the section of Cordova lying immediately below Highway 64 was selected for analysis.

This study was conducted by the Regional Economic Development Center (REDC) at The University of Memphis through a contract with the City of Lakeland. City officials determined a need for the study based on the desire to provide quality shopping for an expanding population, to ensure growth in the city's tax base, and to be used as a component of land use planning.

This report provides information for all major industry groups in retail trade and in selected financial and service industries. Sixty categories of retail stores and ten categories of non-retail establishments are reflected in the study. Intended users of the this study, in addition to city officials, include business owners, real estate developers, bankers, and others interested in commercial development in Lakeland.

Overview of Retail and Service Expenditure Analysis

The study's methodology employs gap analysis, which is designed to match household purchasing power in a defined trade area with revenue estimates for each existing retail or service industry in the trade area. Household expenditures are compared with revenue to determine if gaps exist where expenditures exceed the sales of area businesses. If trade area businesses are not capturing all expenditures, e.g., there is leakage of expenditures from the trade area, there may be potential for additional businesses. Generally, capture rates less than 100% indicate gaps while capture rates over 100% generally indicate retail or service industry has a customer base larger than the trade area and is exporting goods or services to other markets. Above or below average consumption by trade area households can also be reflected in capture rates. When gaps are present, the difference between expenditures and actual sales is the dollar amount of leakage and represents sales potential if the entire gap were captured by new or expanding businesses. Industry specific market analysis is then necessary to determine the percentage of total sales potential that can realistically be captured. It is unlikely that any businesses or group of businesses can capture the entire sales potential in a market.

Capture analysis provides a general picture of the relationships between consumer demand and the existing supply of retail stores and service providers. Even in cases where a gap is found, there may be insufficient sales potential to warrant viable new businesses. On the other hand, there may be new business potential even when capture rates exceed 100% if there are unmet needs for a particular store format, product line, or price range. Likewise, there may be compelling reasons to add stores to an area with a high capture rate if the agglomeration of retail creates a synergy drawing customers from outside the local market. Tables showing capture rates and sales potential were developed for the seventy business categories studied, and are presented for 2007 and 2011.

Excluded from our analysis are purchases of goods and services by business establishments. While all retail and service industries included in our analysis derive the great majority of their revenues from households, most also gain some sales from business customers and the percentage will vary by industry category. Therefore, business potential identified in this study will be slightly understated.

Methodology

Reliable estimates for population growth, consumer expenditures and current retail sales in the Lakeland trade area are fundamental for determining retail potential. REDC used a combination of data sources including federal statistics, proprietary data, and local data in developing expenditure and sales estimates for the study area. Major components of our methodology are discussed below.

Household Expenditures – Retail

Household incomes and expenditures for the various retail and service industries were based on data from SRC DemographicsNow (a proprietary data vendor providing estimates for population, income, etc.) and special population censuses conducted by the cities of Lakeland and Arlington. Aggregate total income, used to determine spending for retail goods, for the trade area was based on these estimates of households and income.

Consumer expenditure patterns were then applied to aggregate income to arrive at retail expenditures for the trade area. Expenditures were based on spending for retail items as a percentage of total trade area household income based on the 2005 Consumer Expenditure Survey (CEX) produced by the Bureau of labor Statistics.[1] Income specific data from the CEX was used as higher income households spend lower proportions of income, but higher absolute amounts, on retail goods than the population as a whole. Households in the Lakeland trade area are estimated to spend 33.5% of their incomes on retail items based on CEX findings. Numerous demographic variables in addition to income are determinants of households spending, including household composition, age, home ownership, education, and ethnicity. However, income was determined to be the best indicator for estimating expenditures in the Lakeland trade area.

[1] Table 2301: Higher Income Before Taxes: Average Annual Expenditures and Characteristics (Southern Region, Income range of $70,000 to $79,999)

Total household expenditures were then allocated to each of the sixty categories of retail trade based on local historical revenue data. Trade area retail expenditures were allocated to individual retail categories based on the 2002 Census of Retail Trade's geographic area series for the Memphis MSA. Retail categories included all major retail categories found in the North American Industrial Classification System (NAICS).

Household Expenditures – Services

This group of industries includes a selection of businesses from several major industry groups (finance, healthcare, professional services, and recreation) that households frequently utilize, and that can be supported by a population size similar to that of the Lakeland trade area.

The methodology used to determine retail spending was not suitable for household services due to limitations in federal data sources. The Consumer Expenditure Survey includes spending for services, however the CEX classifications provide insufficient detail on many non-retail categories to effectively allocate household expenditures to meaningful business categories. Consequently, a ratio of businesses to total households was used to determine the number of businesses in each category that could be supported by the Lakeland trade area. Number of business establishments per category from the 2002 Economic Census for the Memphis MSA[2] were taken as a ratio to total MSA households, with this ratio of businesses then applied to the Lakeland trade area to determine the number of supportable businesses. This simplified approach affords somewhat less accurate estimates than found in our approach to retail spending as number of households rather than total household spending is used. However, household spending for the service industries included in our analysis is most likely less sensitive to income than spending for most categories of retail goods.

Retail and Service Industry Sales

Sales estimates are from the *Business List Report*, purchased from InfoUSA and are based on a combination of commercial databases, directories, corporate annual reports, SEC filings, and estimates based on the number of employees at the specific business location. Estimates based on employee counts is one of the few methods available for determining sales of smaller private

[2] U.S. Census Bureau, 2002 Economic Census: Memphis, TN-MS-AR Metropolitan Statistical Area.

businesses. InfoUSA sales estimates will not be accurate for each individual business, however, when aggregated at the industry level individual differences are minimized yielding sufficiently reliable data. REDC substituted company-specific sales estimates for national chains where appropriate sales data could be located in corporate publications. REDC also reviewed each business in the database to eliminate observable errors in sales estimates, industry classification or business duplication and sorted the database by NAICS code to match the seventy industry groups studied. Windshield surveys were also used to identify newer businesses that were not included in the *Business List Report*.

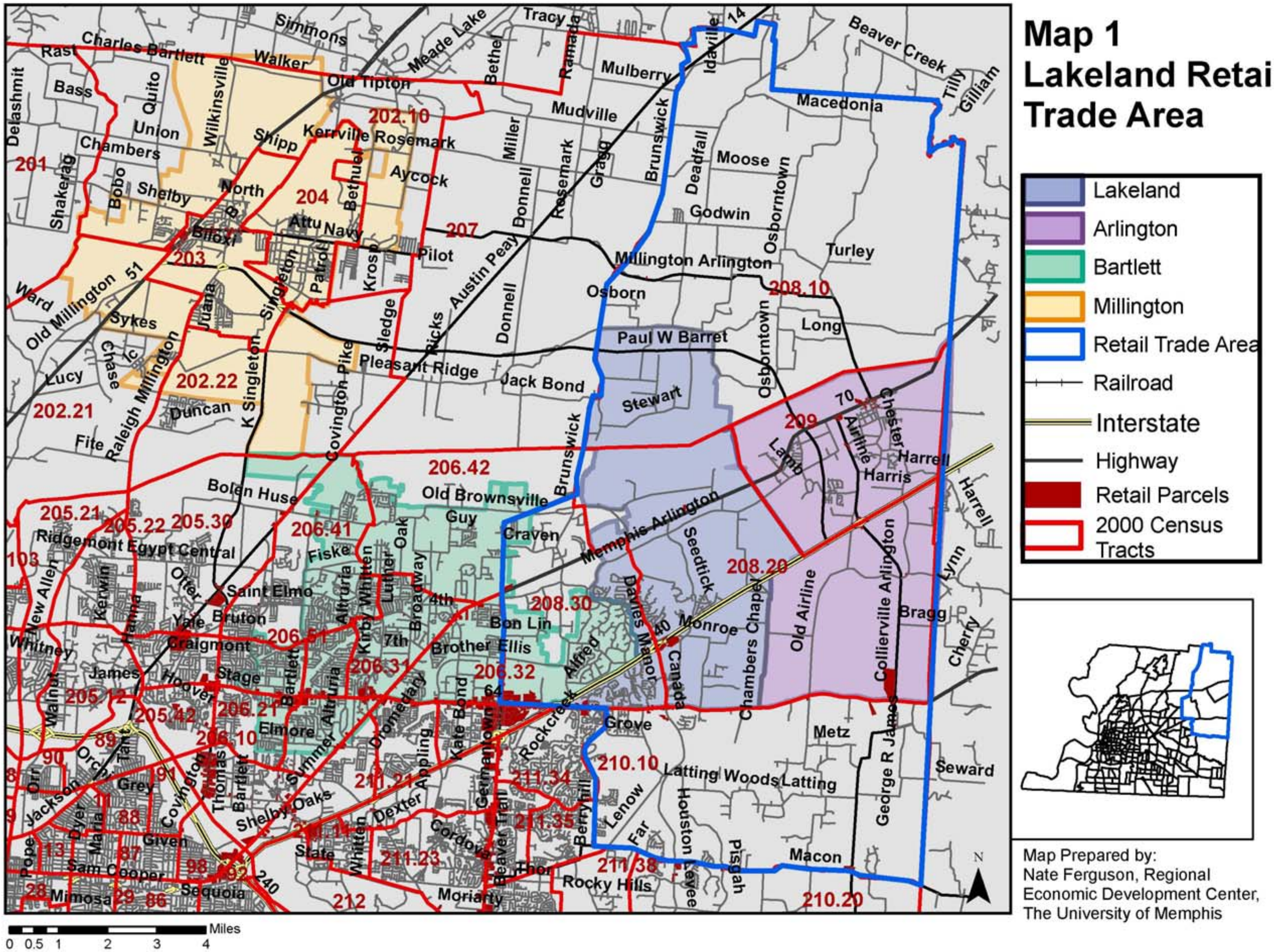
Lakeland Retail Trade Area

Businesses located in the city of Lakeland have the opportunity and likelihood of drawing customers from surrounding areas. In order to properly assess retail potential in Lakeland, REDC determined a likely retail trade area for Lakeland. Population characteristics, existing roads, drive times, and competing retail centers were used to establish a trade area for our analysis.

Map 1 shows the Lakeland trade area, which is composed of the following five census tracts surrounding Lakeland.

Census Tract	Description
208.20	Lakeland and Arlington below I-40 to Highway 64
208.10	Lakeland north of the Loosahatchie River
208.30	West Lakeland and east Bartlett to Germantown Parkway
209.00	Arlington above I-40 to Highway 70
210.10	Cordova south of Highway 64 down to Macon Road

Major residential areas within this trade area are generally within a short drive of existing and future retail center in Lakeland and are served by major roads including Highway 70 (Summer Avenue), I-40, and Highway 64 running east/west and Canada Road running north/south. Subdivisions in Cordova southwest of Lakeland are also close to Lakeland, however, they were excluded from our trade area due to their close proximity to the Wolfchase area along


Map 1
Lakeland Retail Trade Area
Lakeland
Arlington
Bartlett
Millington
Retail Trade Area
Railroad
Interstate
Highway
Retail Parcels
2000 Census Tracts
Map Prepared by:
Nate Ferguson, Regional Economic Development Center,
The University of Memphis
Miles
0 0.5 1 2 3 4

Germantown Parkway. Likewise, the trade area for Lakeland could extend to the east into Fayette County or further along the eastern border of Shelby County served by the existing and planned alignment of Highway 385 (proposed I-269 route). While we have not included these areas of Fayette and eastern Shelby Counties in the Lakeland trade area, an increasingly large number of residents in these two areas travel Highway 64 in route to work or shopping. In addition to area households, businesses located near the I-40/Canada Road interchange can benefit from through traffic along I-40.

Trade Area Demographics

Table 1 below highlights trade area demographics and growth, with comparison to the Memphis MSA.

Table 1
Trade Area Demographics

	City of Lakeland	Lakeland Trade Area	Memphis MSA
Population (2007 Estimate) *	10,848	31,971	1,269,108
Households:			
1990 U.S. Census	1,068	3,618	385,075
2000 U.S. Census	2,748	7,409	448,473
2007 Estimate *	4,349	11,383	471,887
2011 Projection *	6,422	15,011	490,921
% Growth 2000 to 2011 *	133.7%	102.6%	9.5%
Median Household Income (2007 Estimate)	$66,266	$74,181	$45,238
Average Household Income (2007 Estimate)	$73,116	$79,894	$58,737
Households w/ Income ≥ $50,000	67.3%	71.2%	45.9%
Households w/ Income ≥ $75,000	40.6%	49.2%	26.4%
Households w/ Income ≥ $100,000	22.6%	31.0%	15.1%
% Home Ownership	66.5%	74.1%	57.5%
% College Graduates	37.0%	35.3%	26.4%
Median Age	36.4	38.2	34.7

* REDC estimates for Lakeland and trade area with Lakeland population based on 2007 special census. All other data are from SRC DemographicsNow.

Very substantial residential growth is evident for both Lakeland and the Lakeland trade area. Trade area households doubled between 1990 and 2000, with similar strong growth expected to continue through 2011. Household incomes are well above the MSA median with close to a third of trade area households having incomes in excess of $100,000. Similarly, home ownership and education levels are high. New homes in the area are priced to support continued growth in household characteristics favorable for commercial development.

Trade Area Household Spending Projections

Due to the rapid growth in Lakeland and surrounding areas, the City wanted retail spending estimates for the current period and for a point in the near future where the Lakeland trade area would be capable of absorbing additional retail development. Based on the availability of planned subdivision data, knowledge of business locations and an appropriate land use planning horizon, a four-year period was selected. Table 2 shows 2007 population and household estimates for Lakeland and the Lakeland trade area, along with estimated trade area retail spending. Table 3 (page 10) shows the same information projected for 2011. Table 4 on page 10 shows the development of 2011 population projections for the City of Lakeland based on likely subdivision build out. These projections are reflected in Table 3.

Table 2
Estimated 2007 Household Retail Expenditures
Lakeland Retail Trade Area

	Population	Households	Average HH Income	Aggregate HH Income
2007 Total Trade Area Estimate *	26,588	9,482	$79,894	$757,553,948
Less: Lakeland & Arlington Estimates *	13,055	4,902	70,636	346,256,679
Add: Lakeland & Arlington Special Census				
Lakeland	10,848	4,349	73,116	318,005,967
Arlington	7,590	2,454	64,325	157,834,875
Revised 2007 Estimates for Trade Area	31,971	11,383	$77,935	$887,138,111
Estimated % of Income Spent on Retail Goods				33.47%
Estimated Retail Spending in Trade Area				$296,925,126

* Estimates from SRC DemographicsNow.

Our 2007 retail spending estimates (Table 2 above) are based on household and household income estimates from a proprietary source (SRC DemographicsNow), however, we have substituted the results of special population censuses conducted by Lakeland and Arlington. These two special censuses show population increases since the 2000 U.S. Census are substantially greater than what was projected by DemographicsNow. We have not adjusted the DemographicsNow estimates for the balance of the trade area, and consequently our estimates may be conservative. Nevertheless, our 2007 estimated trade area population of 31,971 represents a gain of 11,103 persons (53.2%) since 2000 and is greater than the 9,218 population gain between 1990 and 2000.

Based on the above population estimates, the trade area's aggregate household income is $887 million, and 33.5% ($297 million) is spent on retail goods, based on survey data for households in the $70,000 to $80,000 income range.[3]

We have used 2007 estimates from DemographicsNow for household income in the development of our aggregate income and retail spending estimates for the Lakeland trade area. However, these estimates may understate actual income and buying power, particularly in the City of Lakeland. Most newer homes in Lakeland are selling in the $250,000 to $ 500,000 range with a current median selling price of $393,000,[4] indicating newer residents likely have incomes of over $90,000, which is significantly greater than the $73,116 average household income (Table 2) used in our retail spending estimates. Consequently, retail potential may exceed our estimates, particularly as we move closer to 2011.

Table 3 shows trade area spending estimates for 2011 based on REDC's population projections for the Lakeland trade area. Household growth is expected to increase buying power by over 30% to $387 million (stated in 2007 constant dollars) over the next four years.

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[3] REDC calculations based on the 2005 Consumer Expenditure Survey, Table 2301: Higher Income Before Taxes, Bureau of Labor Statistics.

[4] Based on MLS listings for homes in Lakeland built within the past five years. Range for 132 listed residential properties was from $199,500 to $1,090,000 with median asking price of $393,000 (REDC calculations based on MLS listings from Crye-Leike Realtors, July 2007). By comparison, the 2000 Census shows a median home value of $147,274 for Lakeland ($178,193 in 2007 dollars).

Table 3
Projected 2011 Household Retail Expenditures
Lakeland Retail Trade Area
(2007$)

	Population	Households	Average HH Income	Aggregate HH Income
2011 Total Trade Area Projection *	30,710	10,983	$79,951	$878,105,884
Less: Lakeland & Arlington Projections *	15,618	5,871	70,455	413,642,429
Add: Lakeland & Arlington REDC Projections				
Lakeland	16,002	6,422	73,116	469,550,952
Arlington	10,600	3,477	64,325	223,658,025
Revised 2011 Projections for Trade Area	41,694	15,011	$77,122	$1,157,672,432
Estimated % of Income Spent on Retail Goods				33.47%
Estimated 2011 Retail Spending in Trade Area				$387,472,963

* Estimates from SRC DemographicsNow.

The above 2011 projections reflect household growth assumptions for Lakeland which are based on the following assumptions regarding the build out of subdivisions that are currently under development or are proposed for the near future.

Table 4
Lakeland Growth Assumptions for 2007 to 2011

Subdivisions Under Development or Planned	Total Lots	Est. % Build-Out by 2011	Estimated 2011 Households
Category 1 - Subdivisions being issued permits	584	100.0%	584
Category 2 - New developments likely in 2007/08	933	90.0%	840
Category 3 - Speculative for 2008 & beyond *	959	50.0%	480
New, unknown & miscellaneous lots			170
Total Additional Households by 2011			2,073
Estimated 2007 Households			4,349
Projected 2011 Households			6,422
Projected 2011 Population			16,002

* Excludes Lakeland Green with 2500 proposed lots.

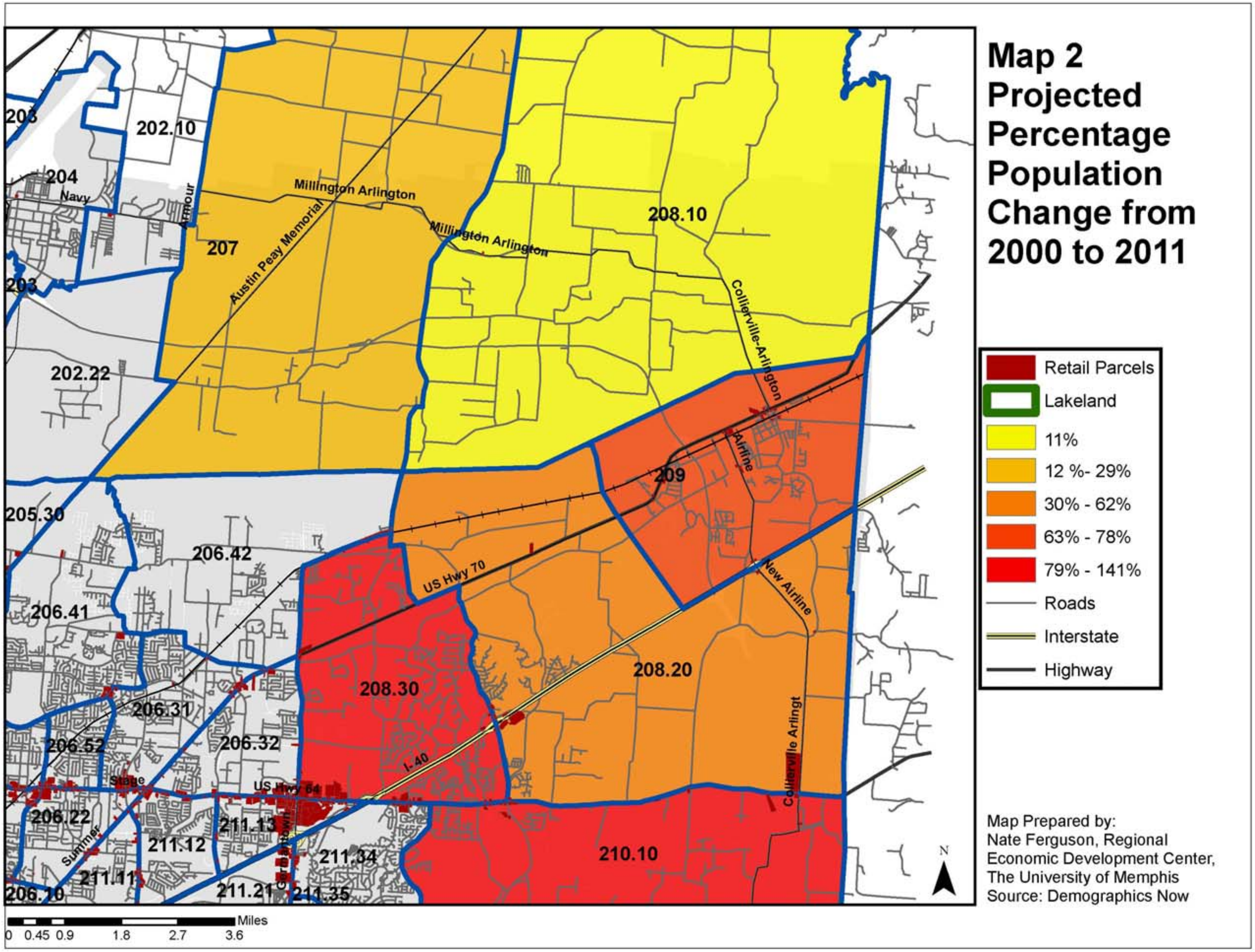
The above assumptions reflect the judgment of REDC and the Lakeland Planning Department based on review of 1) the fourteen subdivisions that are currently platted and being issued permits, 2) seven new developments with construction starts expected in 2007 or 2008, 3) six developments that are proposed but remain speculative at this point, and 4) potential developments or miscellaneous lots that have not been presented to city officials.

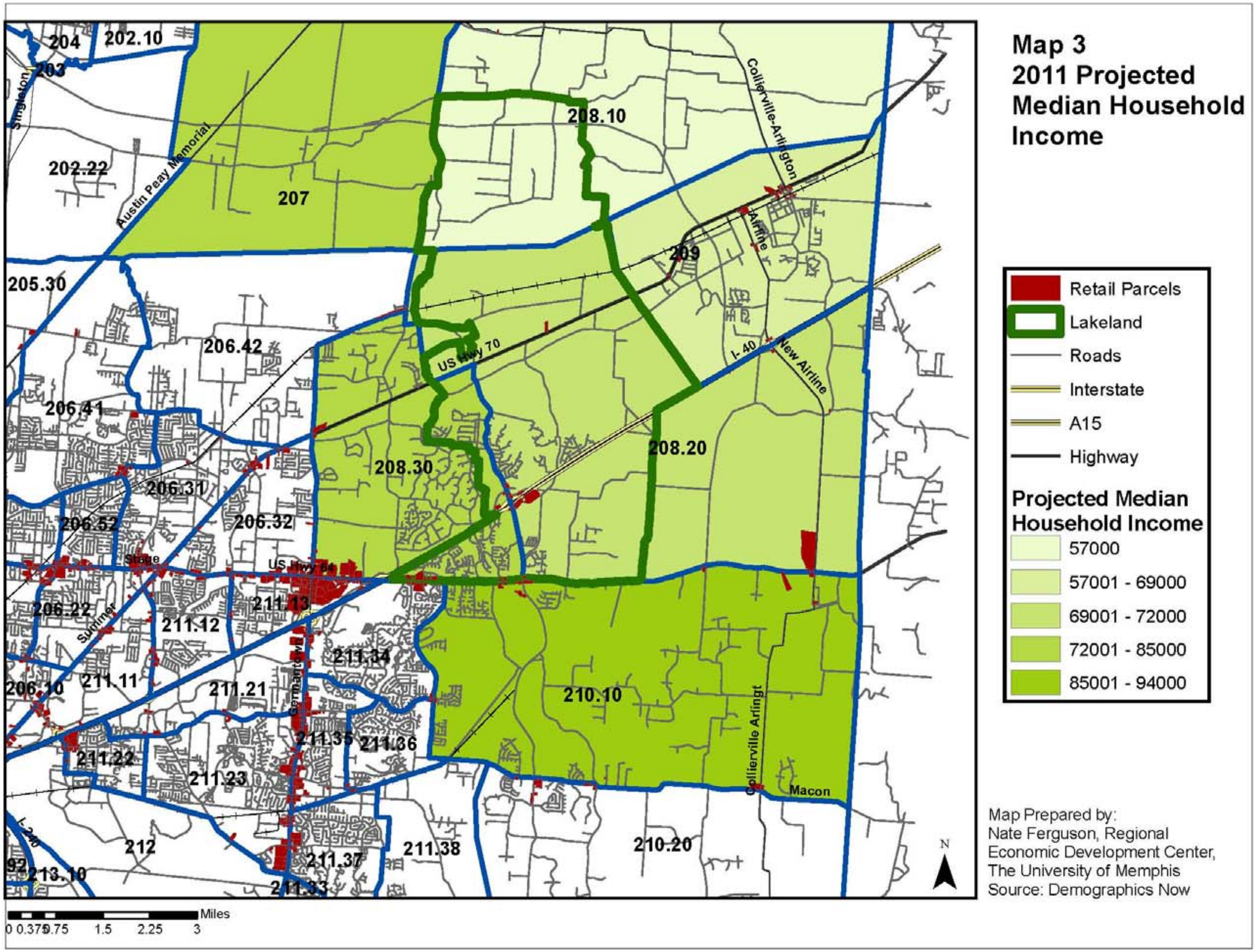
These assumptions are believed to be realistic based on the current level of housing construction activity and subdivision plans, however, general economic conditions including interest rates could alter the timing of subdivision build-out. Nevertheless, these projects either in or nearing the development pipeline are expected to significantly increase Lakeland's population. Construction of the additional 2,073 homes would yield a 48% increase in households over the next four years, resulting in a population of 16,000. This level of growth will produce $470 million in aggregate income for Lakeland residents and $157 million in retail spending, representing over 40% of total retail spending in the Lakeland trade area.

The largest development in the speculative category, Lakeland Green, a proposed traditional neighborhood development with residential and commercial uses, is not reflected in our growth assumptions. Development of Lakeland Green, with 2,500 lots could easily double our growth assumptions and take Lakeland's population to over 22,000. However, Lakeland Green build out may extend beyond 2011 due to its large size.

2011 retail spending projections for the balance of the trade area were based on a combination of town-specific projections for Arlington and the use of DemographicsNow projections for the balance of the trade area. Arlington has experienced rapid growth with its population increases from 2,069 in 2000 to 5,041 by the 2004 special census and to 7,590 for the 2006 special census... We expect this growth to continue, however, we are assuming somewhat slower growth (3,000 persons) for our 2011 trade area projections.

Projected population change by census tract from 2000 to 2011 is shown on Map 2, and projected 2011 median household income by census tract is shown on Map 3.


Map 2
Projected Percentage Population Change from 2000 to 2011
Retail Parcels
Lakeland
11%
12 %- 29%
30% - 62%
63% - 78%
79% - 141%
Roads
Interstate
Highway
Map Prepared by:
Nate Ferguson, Regional Economic Development Center,
The University of Memphis
Source: Demographics Now
202.10
204
Navy
Armour
Millington Arlington
207
Austin Pay Memorial
208.10
Collierville-Arlington
202.22
209
Airline
205.30
206.42
US Hwy 70
New Airline
206.41
208.20
208.30
206.31
206.52
206.32
I-40
Stage
US Hwy 64
Collierville Arlingt
206.22
211.13
Summer
211.12
210.10
211.34
211.11
211.21
211.35
206.10
Miles
0 0.45 0.9 1.8 2.7 3.6
N



Map 3
2011 Projected
Median Household
Income
Retail Parcels
Lakeland
Roads
Interstate
A15
Highway
Projected Median
Household Income
57000
57001 - 69000
69001 - 72000
72001 - 85000
85001 - 94000
Map Prepared by:
Nate Ferguson, Regional
Economic Development Center,
The University of Memphis
Source: Demographics Now
Miles
0 0.375 0.75 1.5 2.25 3
N
204
202.10
203
208.10
207
202.22
205.30
209
206.42
206.41
208.20
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206.31
206.52
206.32
206.22
211.13
211.12
211.34
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211.11
211.21
210.10
211.35
211.36
211.22
211.23
212
211.37
211.38
210.20
213.10
211.33
Austin Peay Memorial
Collierville-Arlington
Airline
US Hwy 70
I- 40
New Airline
US Hwy 64
Germantown
Sumner
Collierville Arlingt
Macon

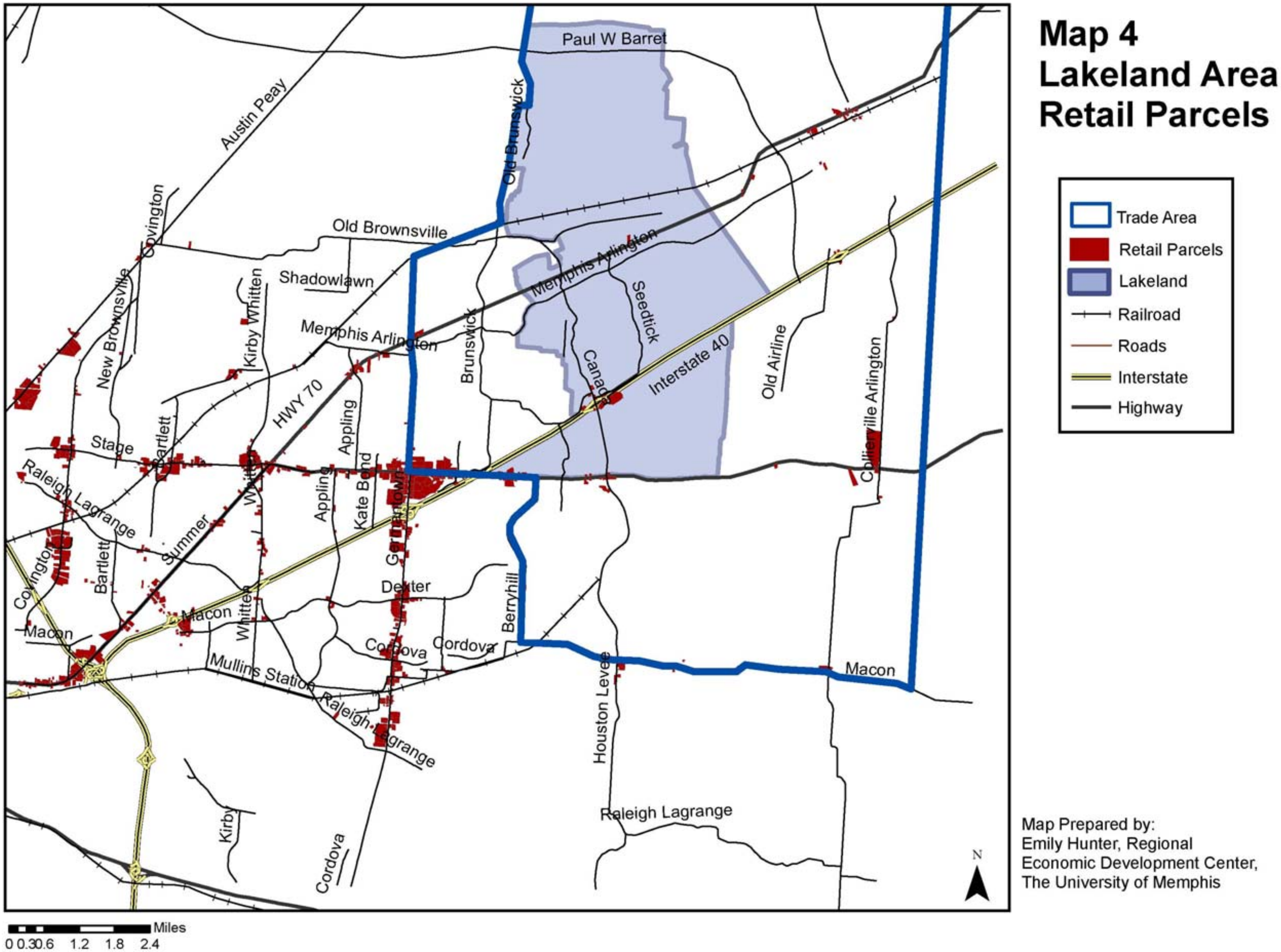
Retail Profile of the Lakeland Trade Area

The Lakeland trade area currently has approximately 162 retail establishments with total annual sales of $383 million.[5] Most major categories of retail trade are represented. Map 4 shows the location of retail parcels in the trade area and in immediately surrounding areas, including Wolfchase and Germantown Parkway. Retail establishments are for the most part found in four general clusters in the trade area, along major highways.

The area along Highway 64 between I-40 and Canada Road is the largest commercial cluster in the trade area with two neighborhood shopping centers anchored by supermarkets along with independent sites for banks, fast food, drug stores, and service businesses. The I-40/Canada Road interchange has several businesses catering to interstate traffic including three gas stations with franchise fast food, three motels, a Cracker Barrel restaurant, along with small office and retail strip centers Also, near the interchange is the Lakeland Factory Outlet Mall. Once a major outlet mall featuring several name brand stores in the clothing, furniture, and household goods markets, this shopping center now has a high vacancy but has retained a smaller number of popular factory outlets. The decline in vacancy rates is more likely due to a general decline in the outlet mall industry and competitive pressures rather than any location specific factors. Along Highway 70 (Summer Avenue) in Arlington are newer strip centers with neighborhood retail, including a Kroger.

Immediately southwest of our trade area at Highway 64 and Germantown Parkway is the Wolfchase Galleria Mall and an adjacent "power center" with an array of the major big box retailers. Wolfchase is a one million square foot enclosed mall anchored by Macy's, Dillard's, Sears, and JCPenny. Also, Along Highway 64, near Wolfchase, are several auto dealerships, Target, Lowe's, a Wal-Mart Supercenter, Costco, and several full service and fast food restaurants.

[5] Retail establishments indicate the 60 NAICS retail categories included in our study.


Map 4
Lakeland Area
Retail Parcels
Trade Area
Retail Parcels
Lakeland
Railroad
Roads
Interstate
Highway
Paul W Barret
Old Brunswick
Austin Peay
Covington
Old Brownsville
Shadowlawn
Memphis Arlington
Seedtick
New Brownsville
Kirby Whitten
Brunswick
Canada
Interstate 40
Old Airline
Collierville Arlington
HWY 70
Appling
Bartlett
Stage
Raleigh Lagrange
Whitten
Kate Bond
Germantown
Summer
Dexter
Berryhill
Macon
Cordova
Mullins Station
Houston Levee
Kirby
Miles
0 0.3 0.6 1.2 1.8 2.4
Map Prepared by:
Emily Hunter, Regional
Economic Development Center,
The University of Memphis
N

There are approximately 56 retail businesses in the City of Lakeland, representing several major retail categories.[6] The Lakeland Factory Outlet Mall has 16 retail establishments, including eight clothing stores and a large household goods store (Old Time Pottery). The remainder of Lakeland retail businesses for the most part provides neighborhood convenience items. These include Kroger, two pharmacies (Kroger and Walgreens), eleven restaurants including the major fast food chains, several automobile related businesses (six gas stations, auto parts, and service centers).

Retail Trade Gap Analysis

Capture analyses for the Lakeland trade area are presented in Table 5 (2007 retail sales potential and Table 6 (2011 retail sales potential). In the following tables capture rates exceeding 100% indicate retail sales in the trade area are greater than would be expected based on household spending by trade area residents. This usually occurs when businesses in a specific category have a large customer base from outside the defined trade area. On the other hand, when capture rates are significantly less than 100%, trade household spending in a retail category is greater than the revenue of businesses in the trade area. This indicates significant spending is "leaking" from the local trade area to other places.

Table 5 clearly shows that the Lakeland trade area currently serves a wider population in several more specialized retail categories. These include gasoline stations and limited service (e.g. fast food) restaurants that benefit from their proximity to the I-40 interchange at Canada Road. Stores in the Lakeland Factory Outlet Mall, which serves a regional market, boasts capture in some sub-categories of Clothing & Accessory stores and Used Merchandise (furniture consignment). Several salvage/liquidator businesses, mainly along Highway 64, also contribute to the high capture rates in clothing and used merchandise. A cluster of five large computer and software businesses results in a very high capture rate in that category. However, capture analysis reveals opportunities for additional retailers in the trade area. Full service restaurants and drug stores each have low capture rates, as do several types of more specialized stores.

[6] City of Lakeland Business Directory, November 21, 2006.

Table 5
Retail Trade Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
441	**Motor vehicle & parts dealers**				
441110	New car dealers	$ 63,560,561	$ 78,749,000	123.9%	$ 0
441120	Used car dealers	5,226,779	5,998,000	114.8%	0
44412	Other Vehicle Dealers	2,576,392	749,500	29.1%	1,826,892
441310	Automotive parts & accessories stores	4,294,578	3,499,000	81.5%	795,578
441320	Tire dealers	1,998,213	3,749,500	187.6%	0
	Total Motor vehicle & parts	77,656,523	92,745,000	119.4%	2,622,470
442	**Furniture & home furnishings stores**				
442110	Furniture stores	$ 4,019,340	$ 1,499,000	37.3%	$ 2,520,340
442210	Floor covering stores	1,401,572	7,248,500	517.2%	0
44229	Other home furnishings stores	2,367,785	1,249,500	52.8%	1,118,285
	Total Furniture & home furnishings	7,788,697	9,997,000	128.4%	3,638,625
443	**Electronics & appliance stores**				
443111	Household appliance stores	$ 577,694	$ 0	0.0%	$ 577,694
443112	Radio, television, & other electronics stores	3,010,380	4,999,000	166.1%	0
443120	Computer & software stores	964,475	53,497,500	5546.8%	0
443130	Camera & photographic supplies stores	174,835	0	0.0%	174,835
	Total electronics & appliance	4,727,384	58,496,500	1237.4%	752,529

Table 5
Retail Trade Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
444	**Building matl. & garden supply dealers**				
4441	Building material & supplies dealers	$ 15,410,120	$ 4,499,000	29.2%	$ 10,911,120
4442	Lawn & garden equipment & supplies stores	2,696,552	17,997,000	667.4%	0
	Total Bldng material & garden equipment	18,106,671	22,496,000	124.2%	10,911,120
445	**Food & beverage stores**				
445110	Supermarkets & other grocery stores	$ 24,755,994	$ 46,248,500	186.8%	$ 0
445120	Convenience stores	672,830	9,997,500	1485.9%	0
4452	Specialty food stores	881,310	0	0.0%	881,310
445310	Beer, wine, & liquor stores	2,333,457	4,749,000	203.5%	0
	Total food & beverage	28,643,591	60,995,000	212.9%	881,310
446	**Health & personal care stores**				
446110	Pharmacies & drug stores	$ 15,526,629	$ 12,249,000	78.9%	$ 3,277,629
446120	Cosmetics, beauty supplies, & perfume stores	559,738	1,249,500	223.2%	0
446130	Optical goods stores	433,186	1,749,000	403.8%	0
446191	Food (health) supplement stores	155,226	749,500	482.8%	0
446199	All other health & personal care stores	340,582	0	0.0%	340,582
	Total health & personal care	17,015,362	15,997,000	94.0%	3,618,211

Table 5
Retail Trade Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
448	**Clothing & clothing accessories stores**				
448110	Men's clothing stores	$ 1,530,361	$ 749,500	49.0%	$ 780,861
448120	Women's clothing stores	3,257,598	2,749,000	84.4%	508,598
448130	Children's & infants' clothing stores	716,885	250,000	34.9%	466,885
448310	Jewelry stores	1,626,155	0	0.0%	1,626,155
448320	Luggage & leather goods stores	109,016	0	0.0%	109,016
	Total clothing & clothing accessories	15,633,834	18,495,000	118.3%	4,689,279
451	**Sporting goods, hobby, book, & music stores**				
4511101	General-line sporting goods stores	$ 794,487	$ 250,000	31.5%	$ 544,487
4511102	Specialty-line sporting goods stores	671,079	0	0.0%	671,079
451120	Hobby, toy, & game stores	1,049,533	3,248,500	309.5%	0
451130	Sewing, needlework, & piece goods stores	272,094	250,000	91.9%	22,094
451140	Musical instrument & supplies stores	486,377	0	0.0%	486,377
45121	Book stores & news dealers	1,325,826	250,000	18.9%	1,075,826
451220	Prerecorded tape, compact disc, & record stores	627,488	0	0.0%	627,488
	Total Sporting goods, hobby, book & music	5,226,884	3,998,500	76.5%	3,427,351

Table 5
Retail Trade Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
452	**General merchandise stores**				
45211	Department & Discount stores	$ 15,512,640	$ 36,824,000	237.4%	$ 0
4529	Other general merchandise stores	25,644,438	0	0.0%	25,644,438
452990	Variety & Miscellaneous General Merch. Stores	4,455,668	4,749,000	106.6%	0
	Total general merchandise	45,612,746	41,573,000	91.1%	25,644,438
453	**Miscellaneous store retailers**				
453110	Florists	$ 616,495	$ 500,000	81.1%	$ 116,495
453210	Office supplies & stationery stores	1,581,590	0	0.0%	1,581,590
453220	Gift, novelty, & souvenir stores	911,777	750,000	82.3%	161,777
453310	Used merchandise stores	461,839	1,999,500	432.9%	0
453910	Pet & pet supplies stores	465,679	0	0.0%	465,679
45411	Electronic shopping & mail-order houses	$ 12,628,011	$ 0	0.0%	$ 12,628,011
454210	Vending machine operators	745,917	999,500	134.0%	0
45431	Fuel dealers	653,693	0	0.0%	653,693
454390	Other direct selling establishments	2,523,117	1,999,500	79.2%	523,617
	Total nonstore retail	16,550,738	2,999,000	18.1%	13,805,321
447	**Gasoline stations**				
447110	Gasoline stations with convenience stores	$ 18,803,723	$ 0	0.0%	$ 18,803,723
447190	Other gasoline stations	6,531,928	16,996,500	260.2%	0
	Total gasoline	25,335,651	16,996,500	67.1%	18,803,723

Table 5
Retail Trade Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
722	**Food services & drinking places**				
722110	Full-service restaurants	$ 11,882,769	$ 6,000,000	50.5%	$ 5,882,769
72221	Limited-service eating places	13,178,825	20,494,000	155.5%	0
7223	Special food services	2,298,538	500,000	21.8%	1,798,538
722410	Drinking places (alcoholic beverages)	883,272	0	0.0%	883,272
	Total food service & drinking	28,243,404	26,994,000	95.6%	8,564,579
	Total Retail	$ 296,925,126	$ 382,529,500	128.8%	$ 100,163,761

Table 6
Retail Trade Capture Analysis
Lakeland Trade Area - 2011 Projection

NAICS Code	Retail Category		Trade Area Household Expenditures		Retail Sales in Trade Area	Capture Rate		Retail Sales Potential
441	**Motor vehicle & parts dealers**							
441110	New car dealers	$	82,943,466	$	78,749,000	94.9%	$	4,194,466
441120	Used car dealers		6,820,694		5,998,000	87.9%		822,694
44412	Other Vehicle Dealers		3,362,067		749,500	22.3%		2,612,567
441310	Automotive parts & accessories stores		5,604,216		3,499,000	62.4%		2,105,216
441320	Tire dealers		2,607,571		3,749,500	143.8%		0
	Total Motor vehicle & parts		101,338,015		92,745,000	91.5%		9,734,944
442	**Furniture & home furnishings stores**							
442110	Furniture stores	$	5,245,044	$	1,499,000	28.6%	$	3,746,044
442210	Floor covering stores		1,828,984		7,248,500	396.3%		0
44229	Other home furnishings stores		3,089,845		1,249,500	40.4%		1,840,345
	Total Furniture & home furnishings		10,163,873		9,997,000	98.4%		5,586,389
443	**Electronics & appliance stores**							
443111	Household appliance stores	$	753,863	$	0	0.0%	$	753,863
443112	Radio, television, & other electronics stores		3,928,400		4,999,000	127.3%		0
443120	Computer & software stores		1,258,593		53,497,500	4250.6%		0
443130	Camera & photographic supplies stores		228,152		0	0.0%		228,152
	Total electronics & appliance		6,169,008		58,496,500	948.2%		982,014

Table 6
Retail Trade Capture Analysis
Lakeland Trade Area - 2011 Projection

NAICS Code	Retail Category		Trade Area Household Expenditures		Retail Sales in Trade Area	Capture Rate		Retail Sales Potential
444	**Building matl. & garden supply dealers**							
4441	Building material & supplies dealers	$	20,109,463	$	4,499,000	22.4%	$	15,610,463
4442	Lawn & garden equipment & supplies stores		3,518,870		17,997,000	511.4%		0
	Total Bldng material & garden equipment		23,628,332		22,496,000	95.2%		15,610,463
445	**Food & beverage stores**							
445110	Supermarkets & other grocery stores	$	32,305,378	$	46,248,500	143.2%	$	0
445120	Convenience stores		878,010		9,997,500	1138.7%		0
4452	Specialty food stores		1,150,067		0	0.0%		1,150,067
445310	Beer, wine, & liquor stores		3,045,049		4,749,000	156.0%		0
	Total food & beverage		37,378,504		60,995,000	163.2%		1,150,067
446	**Health & personal care stores**							
446110	Pharmacies & drug stores	$	20,261,502	$	12,249,000	60.5%	$	8,012,502
446120	Cosmetics, beauty supplies, & perfume stores		730,432		1,249,500	171.1%		0
446130	Optical goods stores		565,287		1,749,000	309.4%		0
446191	Food (health) supplement stores		202,563		749,500	370.0%		0
446199	All other health & personal care stores		444,443		0	0.0%		444,443
	Total health & personal care		22,204,226		15,997,000	72.0%		8,456,945

Table 6
Retail Trade Capture Analysis
Lakeland Trade Area - 2011 Projection

NAICS Code	Retail Category	Trade Area Household Expenditures	Retail Sales in Trade Area	Capture Rate	Retail Sales Potential
448	**Clothing & clothing accessories stores**				
448110	Men's clothing stores	$ 1,997,047	$ 749,500	37.5%	$ 1,247,547
448120	Women's clothing stores	4,251,008	2,749,000	64.7%	1,502,008
448130	Children's & infants' clothing stores	935,500	250,000	26.7%	685,500
448140	Family clothing stores	6,151,221	3,999,500	65.0%	2,151,721
448150	Clothing accessories stores	315,229	7,248,500	2299.4%	0
4511101	General-line sporting goods stores	$ 1,036,768	$ 250,000	24.1%	$ 786,768
4511102	Specialty-line sporting goods stores	875,725	0	0.0%	875,725
451120	Hobby, toy, & game stores	1,369,590	3,248,500	237.2%	0
451130	Sewing, needlework, & piece goods stores	355,070	250,000	70.4%	105,070
451140	Musical instrument & supplies stores	634,698	0	0.0%	634,698
45121	Book stores & news dealers	1,730,139	250,000	14.4%	1,480,139
451220	Prerecorded tape, compact disc, & record stores	818,841	0	0.0%	818,841
	Total Sporting goods, hobby, book & music	6,820,832	3,998,500	58.6%	4,701,241
452	**General merchandise stores**				
45211	Department & Discount stores	$ 20,243,247	$ 36,824,000	181.9%	$ 0
4529	Other general merchandise stores	33,464,754	0	0.0%	33,464,754
452990	Variety & Miscellaneous General Merch. Stores	5,814,432	4,749,000	81.7%	1,065,432
	Total general merchandise	59,522,432	41,573,000	69.8%	34,530,185

Table 6
Retail Trade Capture Analysis
Lakeland Trade Area - 2011 Projection

NAICS Code	Retail Category		Trade Area Household Expenditures		Retail Sales in Trade Area	Capture Rate		Retail Sales Potential
453	**Miscellaneous store retailers**							
453110	Florists	$	804,496	$	500,000	62.2%	$	304,496
453210	Office supplies & stationery stores		2,063,898		0	0.0%		2,063,898
453220	Gift, novelty, & souvenir stores		1,189,825		750,000	63.0%		439,825
453310	Used merchandise stores		602,677		1,999,500	331.8%		0
453910	Pet & pet supplies stores		607,688		0	0.0%		607,688
45411	Electronic shopping & mail-order houses	$	16,478,945	$	0	0.0%	$	16,478,945
454210	Vending machine operators		973,386		999,500	102.7%		0
45431	Fuel dealers		853,038		0	0.0%		853,038
454390	Other direct selling establishments		3,292,546		1,999,500	60.7%		1,293,046
	Total nonstore retail		21,597,914		2,999,000	13.9%		18,625,029
447	**Gasoline stations**							
447110	Gasoline stations with convenience stores	$	24,537,951	$	0	0.0%	$	24,537,951
447190	Other gasoline stations		8,523,851		16,996,500	199.4%		0
	Total gasoline		33,061,801		16,996,500	51.4%		24,537,951
722	**Food services & drinking places**							
722110	Full-service restaurants	$	15,506,441	$	6,000,000	38.7%	$	9,506,441
72221	Limited-service eating places		17,197,730		20,494,000	119.2%		0
7223	Special food services		2,999,481		500,000	16.7%		2,499,481
722410	Drinking places (alcoholic beverages)		1,152,628		0	0.0%		1,152,628
	Total food service & drinking		36,856,280		26,994,000	73.2%		13,158,549
	Total Retail	$	387,472,963	$	382,529,500	98.7%	$	149,954,774

Following is a brief discussion of each broad retail category with indication of business development possibilities. We will first look at current (2007) demand, then indicate any significant changes in demand by 2011 based on our population growth projections.

Motor Vehicle & Parts Dealers

Sunrise Pontiac-GMC accounts for the high capture in new car dealers. In addition, several other new car dealerships are located along Highway 64 near Wolfchase and this area has become a regional auto dealership cluster. Four used car dealers are adequately serving the market for used cars. A significant gap does exist for other vehicle dealers, which includes RV's, boats, and motorcycles. However, this gap may not be sufficient to support a new entry in one of these categories.

There is a relatively small gap in auto parts stores, but two national chains (Autozone and Advance Auto Parts) with stores in Lakeland and Arlington are likely sufficient at this time. However, by 2011 there should be sufficient demand to support another auto parts store.

Furniture & Home Furnishings Stores

Two small furniture stores leave a gap of $1.5 million, however, strong competition is found with furniture lines in Wolfchase Galleria department stores and furniture stores along Germantown Parkway.

The trade area has a very substantial capture rate in floor coverings attributable to Tim Hogan's Carpets and two other floor covering businesses, suggesting that either a wider trade area is served by these firms or that new home construction in and near Lakeland has fueled sales.

Other Household Furnishing Stores essentially includes kitchen, bath, and window treatment stores. Three businesses in the trade area specialize in window treatments, which leave a gap of at least $1.1 million ($1.8 million by 2011). Considering the level of residential real estate activity in the trade area, a kitchen and bath store may be viable.

Electronics & Appliance Stores

Five large computer and software businesses, most likely primarily selling to businesses, account for the very large capture for computer sales. Both Household Appliances and Camera Supplies are missing from the trade area, however, retail sales potential appears too small to support businesses in these categories in the near future.

Building Materials & Garden Supply Dealers

Building Materials show a substantial gap of $10.9 million and this may we be understated due to the level of construction activity and new home owners in the trade area[7]. However, the potential for new stores is complicated by the presence of both Lowe's and Home Depot stores on Highway 64 just outside the trade area. Most likely, the market could not support another large building materials or home center store this close to Lowe's and Home Depot.

Currently, there are three small hardware stores in Arlington and Cordova and three specialized building materials businesses (garage doors, glass, and shutters) that are altogether capturing only a small portion of the trade area's building materials expenditures. There is also a moderate size Stewart Brothers Hardware east of the trade area on Summer Avenue in Bartlett. However, the trade area potentially could support a smaller home center such as Stewarts or Coles Do-It Center. The level of construction activity and new homeowners in the trade area, coupled with retail sales potential reaching $15.6 million by 2011, strengthen the viability of a medium sized home center.

There are several large garden centers and nurseries in the trade area, including Dan West and Nature's Earth, that serve households outside the Lakeland area. The availability of ample land for horticulture and the high level of residential construction contribute to the number of nurseries in the area.

[7] Our retail sales potential only considers expenditures by households. As a large portion of building materials are purchased by contractors and tradespersons whose expenditures are not reflected in our gap analysis, retail potential is understated.

Food & Beverage Stores

Overall, there is no gap in the Food & Beverage Stores category, however, potential may exist for specialty food stores which include meat and seafood markets, fruit and vegetable markets, and bakeries. Other than a butcher shop in Arlington, there are no specialized food stores in the trade area. The large number of households with high disposable incomes suggests there may be a strong market for additional stores. Possibilities include a vegetable market such as Easy Way, which has several stores throughout Shelby County, either a local or chain bakery, and a health foods store such as Wild Oats. In addition, there might be potential for a smaller upscale grocery store such as Fresh Market, which currently has a store in east Memphis.

Currently, Kroger has two supermarkets in the trade area, one on Highway 64 and a newer store on Highway 70 at Airline Road. Schnucks is located at Highway 64 and Fletcher Creek Parkway in Cordova. Even though no gap in food stores currently exists, it may be possible to attract another strong supermarket chain such as Wal-Mart's Neighborhood Market brand that would want to enter this growing market and compete with Kroger and Schnucks. This would depend more on a competitive store location strategy than on any deficits in food stores. The possibility may exist in the future for an additional Schnucks north of I-40. In addition, a smaller limited service grocery such as Aldi, which has several stores in the Memphis area, might find a niche in the current Lakeland market.

Health & Personal Care Stores

Pharmacies show a current gap of $3.3 million indicating at least moderate potential for another pharmacy. There is a Walgreens at Canada Road and Highway 64, a Fred's Pharmacy in Arlington, and pharmacies in both Kroger stores. However, by 2011 this gap increases to $8 million, indicating potential for another free-standing pharmacy.

High capture rates are found for other personal care businesses due primarily to stores in the factory outlet mall (perfume and vitamins) and optical shops in Wal-Mart and Sam's Club. The all other category includes highly specialized medical related businesses and there is insufficient demand in 2007 or 2011 to support a business in this category.

Clothing and Clothing Accessory Stores

There are fourteen apparel and apparel related businesses in the Lakeland trade area with sales totaling over $18 million. Almost all stores are in two locations. Seven stores with total sales of almost $10 million are in the Lakeland Factory Outlet Mall, while three salvage stores along Highway 64 account for over $7 million in sales.

While relatively small gaps do appear in several apparel categories, Wolfchase Galleria, with four department stores and numerous clothing stores, is just outside the Lakeland trade area. Most likely, the only opportunity for additional apparel stores would be in the Lakeland Factory Outlet Mall, which does draw customers from a wide region.

The gap in jewelry stores is large enough to support a store, however, Wolfchase offers very strong competition with twelve jewelry stores in various price ranges.

Sporting Goods, Hobby, Book, and Music Stores

Sporting Goods (general lines and specialty combined) have a gap of $1.2 million currently, increasing to $1.7 million by 2011. The trade area is served only by a bicycle shop, and Wolfchase Galleria has only sports apparel. Consequently, there is potential for a general line sporting goods store.

Bookstores have a relatively large gap of $1.5 million, with only a small bookstore in Arlington. However, viability of an additional bookstore is questionable due to the presence of Barnes & Noble at Wolfchase and the availability of on-line booksellers.

There are no prerecorded music (CD's essentially) stores in the trade area, leaving a gap of over $800,000 which should be sufficient to support a store in this category.

Gaps in sewing and musical instruments are too small to support additional stores.

General Merchandise Stores

The largest share of the general merchandise retail gap of $25.6 million is filled by major department stores in Wolfchase Galleria. Sam's Club on Highway 64 accounts for the majority of general merchandise sales in the trade area. Old Time Pottery is also classified as a general merchandise store. While these two stores draw on a regional market, Fred's and Dollar General in Arlington serve local everyday shopping needs. Gap analysis does suggest the possible need for another small general merchandiser in Lakeland, at least by 2011.

Miscellaneous Store Retailers

The strongest opportunity in the miscellaneous category of retailers is for office supply stores. Currently, there is none in the trade area, leaving a gap of $1.6 million, growing to over $2 million by 2011. The actual gap would be higher as our analysis reflects only household spending and does not reflect purchases by businesses.

There are no stores specializing in pet supplies, and the gap of $600,000 by 2011 may be sufficient to support a smaller pet supply store. Identified gaps in other categories are likely too small to support businesses in the near future.

Non-Store Retailers

Non-store retailers are included in our analysis, as this is a growing category of retail due to electronic shopping. However, these businesses are not based on geography or traditional trade area analysis. Consequently, any business entries would need to be supported by marketing efforts geared to a national market. There is a gap in fuel dealers, but their market essentially serves the need for LP gas, which may be limited in a more urban trade area.

Gasoline Stations

Gasoline stations are classified either as gas-only stations or as businesses selling gas and convenience foods. The market for gasoline and related auto services must include both. While our analysis shows a gap in gasoline stations, several businesses selling gas are classified under Food Stores in the *Business List Report* used for this study. Consequently, the need for additional gas stations may be limited. However, with increasing traffic along I-40 and the new interchange in the planning stages by TDOT, there could be sufficient future demand for other stations near I-40.

Food Services and Drinking Places

Overall, very little gap is found in restaurants and drinking places category, however, trade area sales are dominated by fast food restaurants, leaving significant potential for full service or sit-down restaurants. The I-40 interchange and high traffic counts along Highway 64 contribute to the high level of fast food restaurants and a capture rate of 155.5%. Several of the popular fast food and subways shops are found in the trade area, including McDonalds, Wendy's, Zaxby's, Subway, etc. Even with high capture, there can be room for additional fast food restaurants offering different menus. These might include KFC, Captain D's, or McAlister's Deli.

However, the existing full service restaurants are serving only one-half the current local market demand (50.5% capture), leaving the potential for an additional $5.9 million in sales. With population growth, this potential increases to $9.5 million by 2011. These estimates of unmet potential may well be understated due the higher levels of restaurant spending by higher income households that dominate the trade area, and by the potential for restaurants near I-40 to capture interstate traffic.

The largest full service restaurant is Cracker Barrel, located near the I-40/Canada Road interchange, while several smaller and primarily local restaurants are found in the Arlington area. Potential for additional national chain restaurants exists at this interchange where they can be easily accessible to both interstate travelers and the local market. Several national chains that are strong in the Memphis market may be suitable for Lakeland. These include Chili's, Perkins, Applebee's, O'Charley's, On The Border, and others. All of these restaurants are included in the most frequently visited among Memphis MSA households.[8] Several of these chains have restaurants in eastern Shelby County, however, most locations are several miles from Lakeland in either Bartlett or Cordova and only Perkins is at an I-40 interchange. In addition to full service restaurants, a wider mix of franchise fast food restaurants at this interchange could attract travelers and be very convenient to most Lakeland residents.

[8] The Memphis Market for Restaurants, Commercialappeal.com. Based on Scarborough Report, 2006 Release 2.

In addition to national chains, there are several well known local chains offering casual dining that are not found in or around the Lakeland trade area. These include Corky's Bar-b-Que, Huey's, and Memphis Pizza Café. Due to their smaller size and local appeal, these restaurants would also be suitable for locations that are not near an interstate.

There is currently a gap of $900,000 in drinking places with none in the trade area. This gap could be filled with one or two bars or through restaurants serving alcoholic beverages. The Special Food Services category includes caterers and specialized contract food businesses.

Service Industries Gap Analysis

Capture analysis for selected finance and service industries are presented in Table 7 (2007) and Table 8 (2011). These tables show the potential number of additional businesses that the trade area could support based on the average number of businesses per 10,000 households in the Memphis MSA. Industries selected for inclusion in our analysis are those that tend to draw most of their revenue from households and that are frequently found in suburban residential markets.

Our gap analysis shows that the Lakeland trade area is reasonably well represented by a variety of service businesses, however, there is some room for additional service businesses, especially considering growth projections to 2011.

Commercial Banking

The Lakeland trade area has eight branch banks and one credit union, which is short of the MSA average of 12 depository financial institutions for the same population. The trade area is represented by several of the smaller and medium sized banks in the region, but has a limited presence of the three major regional banks. SunTrust has a branch in Kroger, however, neither Regions nor First Tennessee has a branch in the trade area. Particularly as population growth brings existing customers of these banks, along with mortgage lending opportunities, to the Lakeland area, Lakeland would be a likely location for branches of Regions and First Tennessee.

Table 7,
Service Industry Capture Analysis
Lakeland Trade Area - 2007 Estimate

NAICS Code	Business	Businesses Per 10,000 Households in Memphis MSA	Estimated Businesses to Support Trade Area Households	Existing Businesses in Lakeland Trade Area	Potential Additional Businesses
5221	Commercial Banks/Savings Institutions	10.2	12	8	4
52421	Insurance Agencies & Brokers	10.4	12	17	0
6211	Physicians Offices	17.6	20	9	11
6212	Dentists Offices	9.7	11	6	5
54111	Lawyers Offices	11.5	13	2	11
541211	CPA Offices	4.0	5	0	5
54194	Veterinary Offices	2.0	2	4	0
8111	Automotive Repair	12.1	14	8	6
7139409	Fitness & Recreation Centers	1.2	1	2	0
53223	Video Tape & Disc Rental	1.4	2	1	1

Table 8
Service Industry Capture Analysis
Lakeland Trade Area - 2011 Estimate

NAICS Code	Business	Businesses Per 10,000 Households in Memphis MSA	Estimated Businesses to Support Trade Area Households	Existing Businesses in Lakeland Trade Area	Potential Additional Businesses
5221	Commercial Banks/Savings Institutions	10.2	15	8	7
52421	Insurance Agencies & Brokers	10.4	16	17	0
6211	Physicians Offices	17.6	26	9	17
6212	Dentists Offices	9.7	15	6	9
54111	Lawyers Offices	11.5	17	2	15
541211	CPA Offices	4.0	6	0	6
54194	Veterinary Offices	2.0	3	4	0
8111	Automotive Repair	12.1	18	8	10
7139409	Fitness & Recreation Centers	1.2	2	2	0
53223	Video Tape & Disc Rental	1.4	2	1	1

Insurance Agents

Currently there are seventeen insurance agents either directly representing major carriers (State Farm, Allstate, etc.) or brokering through multiple insurance carriers. This number of agents appears to be sufficient to cover the current and 2011 demand for insurance services.

Physicians & Dentists

There are six offices of physicians and two dentist offices in the trade area and each is well below the number expected (20 and 11 respectively).[9] It should be noted that our allocation of medical professionals, especially physicians, includes non-primary care specialties that generally do not have offices in suburban areas, and those with practices connected with hospitals. Consequently, our gap analysis will yield greater potential than could be reasonable expected. Nevertheless, considering the medical needs by 2011, additional medical offices may well be warranted. It is noted that all of the physicians offices and all but one of the dentist offices have Arlington or Memphis addresses. While these offices most likely serve Lakeland residents, the City of Lakeland is definitely underrepresented.

Lawyers Offices

There are only two law offices in the trade area, significantly fewer than the thirteen that would currently be expected. While there may not be potential for eleven additional attorneys as specialization and large practices near the courts distort our allocation method to suburban areas, there is potential for additional law offices in the Lakeland area.

CPA Offices

Currently there are no CPA offices in the trade area, with a potential for five. Even though businesses account for a portion of CPA functions, higher incomes in the Lakeland trade area suggest a strong demand for CPA's.

[9] Our calculations refer to the number of medical or dental practices, not the number of actual practitioners at a location. This can distort our estimates of the need for additional medical professionals.

Veterinary Offices

There are four veterinary offices in the trade area, which appears satisfactory through 2011.

Automotive Repair

The trade area has one body shop, two mechanics shops, two oil change shops and one tire store, yet there is potential for up to six additional businesses in the auto repair category, increasing to ten by 2011. However, the several auto dealerships along Highway 64 near Wolfchase may be absorbing a reasonable amount of this potential, especially with vehicles that are under factory warranty.

Fitness & Recreation Centers

Two fitness centers in Arlington (Curves and Fitness 24) appear to meet the demand for fitness centers. However, Curves is for women only and Fitness 24 is in Arlington. Consequently, there may be potential for additional fitness facilities in Lakeland. Other recreation venues include paintball parks and Stonebridge Golf Club. It should be noted that the above fitness and recreation centers serve specific recreational needs, and other facilities (either private or public) might also be desired to afford a more comprehensive recreational and fitness selection.

Video Tape & Disc Rental

There is a Blockbuster Video on Highway 64 in Arlington, which may be sufficient to serve the trade due to its large selection. However, there may be sufficient demand to support another video rental store in a different location such as along Highway 70.

Potential Commercial Square Footage

The following analysis summarizes the retail and services industry gaps identified above and derives the estimated square footage required to support new businesses.

Retail Capture & Square Footage

Table 9 lists the identified gaps for retail establishments and an estimate of the percentage of the gap that new businesses might capture. These estimated capture rates reflect our judgment based on the specific type of retail, size of gap, local and regional competitive factors, and income sensitivity.[10] The resulting sales potential is translated into square footage estimates based on median sales per square foot for the particular store type.[11] These estimates are based on our 2011 retail gaps (Table 6) to show the amount of square footage needed over a four-year planning horizon.

Table 9
Estimated Business Potential From Identified Retail Gaps

Store Type	Identified 2011 Gap	Estimated Capture	Sales Potential	Median Sales/Sq. Ft.	Required Square Footage
Auto Parts	2,105,216	20.0%	421,043	217.56	1,935
Kitchen & Bath	1,840,345	30.0%	552,104	215.19	2,566
Home Center	15,610,463	10.0%	1,561,046	144.19	10,826
Specialty Food Stores	1,150,067	60.0%	690,040	260.89	2,645
Pharmacy	8,012,502	50.0%	4,006,251	383.93	10,435
Sporting Goods	1,662,493	30.0%	498,748	254.69	1,958
Pre-recorded Music	818,841	50.0%	409,421	198.78	2,060
General Merchandise Stores	34,530,185	3.0%	1,035,906	163.21	6,347
Office Supply Store	2,063,898	30.0%	619,169	281.71	2,198
Pet Supplies	607,688	50.0%	303,844	171.99	1,767
Full Service Restaurants	9,506,441	60.0%	5,703,865	454.27	12,556
Totals	77,908,139	20.3%	15,801,436	285.78	55,293

Overall, our estimates reflect an additional $15.8 million in retail potential, representing a 20.3% capture of the total identified gaps. This percentage of capture is relatively small due to the very

[10] Market analysis by prospective business operators will be necessary to more accurately determine the feasibility for any specific business.
[11] Sales per square foot data are from Dollars & Cents of Shopping Centers, Urban Land Institute, and uses national data from neighborhood and community shopping centers.

limited ability to capture a significant proportion of the gap in general merchandise stores where additional stores would have to compete with large mass merchandisers. However, the other identified stores should be capable of competing well in the Lakeland trade area market.

The required square footage estimates for most retail categories will generally support one store based on median store sizes for each category. Specialty food stores may support more than one new entry, however, due to product specialization, income levels, and a lack of significant competition.

Full service restaurants show the greatest potential square footage and the identified sales potential in this category could support three to four chain restaurants. Additional sales potential would come from locations near the I-40 and Canada Road interchange. Significantly greater retail potential for restaurants and other businesses could arise at this location, particularly with a new interchange, due to the presence of motels and its prominence as the first I-40 interchange entering Memphis from the east that currently has substantial traveler amenities.

The $15.8 million in sales potential would generate $178,000 in local option sales tax based on city government receiving 1.125% of gross retail sales.

Service Capture & Square Footage

Potential finance and service industry establishments and square footage requirements are shown in Table 10. Our estimated number of potential establishments is conservative and represents approximately one-half the number of establishments identified in our 2011 capture analysis for service industries (Table 8). Demand for additional financial institutions, healthcare professionals, and other service industries will be a function of population growth, income levels, and age structure of the population. Likewise, population growth will increase demand for service businesses including dry cleaners, childcare centers, hair salons, copy/mail stores, real estate, and others that have not been addressed in this study.

Table 10
Estimated Service Businesses Square Footage
2011 Projection

Service Industry	Potential Establishments	Median Square Footage	Total Square Footage
Commercial Banks	2	2,955	5,910
Physicians Offices	4	1,789	7,156
Dentists Offices	2	1,789	3,578
Lawyers Offices	4	1,364	5,456
CPA Offices	2	1,187	2,374
Automotive Repair	2	4,051	8,102
Video Tape & Disc Rental	1	3,605	3,605
Totals	17		36,181

The foregoing analysis conservatively estimates a demand for over 91,000 square feet of additional commercial space by 2011 (55,293 square feet for retail stores and 36,181square feet for service businesses). However, considering possible additional potential in some retail categories (i.e., restaurants, general merchandise, grocery) along with growth in service industries not included in our analysis, the need for additional commercial square footage could easily exceed 150,000 or more square feet.

Land Requirements for Development

Land area requirements for the above commercial square footage is shown in Table 11. Gross acreage based on square footage requirements from Tables 9 and 10 (Base Case) totals 13 acres. However, over 21 acres are required if additional identified potential is built (Optimistic Case). Gross acres are based on a floor area ratio (FAR) of 0.23 and an adjustment factor of 0.30 to convert parcel or net acreage to gross acres.[12] The FAR accounts for parking, ingress/egress, landscaping requirements, etc., while the gross acre adjustment accounts for roads and utility rights-of-way necessary to support private commercial development.

[12] FAR and the gross acre adjustment are from Nelson, Arthur C. (2004) Planner's Estimating Guide: Projecting Land-Use and Facility Needs, Planners Press (American Planning Association) Chicago.

Table 11
Land Area Requirements
2011 Projection

	Building Square Ft. Required	FAR	Parcel Square Ft. Required	Parcel Acreage Required	Gross Acre Adjustment	Gross Acres Needed
Base Case	91,474	0.23	397,713	9.1	0.30	13.0
Optimistic Case	150,000	0.23	652,174	15.0	0.30	21.4

The above commercial square footage could logically be built in any portion of the Lakeland trade area and our analysis does not examine site options. Restaurants and some other businesses can clearly benefit from close proximity to I-40. Others may benefit from location on Highway 70, away from competitors on Highway 64. In either case, locations within the City of Lakeland offer as great or greater potential as elsewhere in the retail trade area.

Long Range Retail Potential

Table 12 provides a long range view of *possibl*e retail activity in the total Lakeland retail trade area by 2020. Table 12 assumes that trade area growth will continue at the same compound annual growth rate as our 2007 to 2011 projections (6.9% for population and 7.2% for households) through 2020. While there is ample developable land in the trade area, this rate of continued growth is speculative and does not consider limiting factors such as public infrastructure, overall MSA growth, or the continuing popularity of residential development in northeast Shelby County.

The 2020 projection in Table 12 bases retail spending estimates on a trade area population of over 75,000, with inflation-adjusted incomes comparable to current residents. It further assumes that all household spending for convenience goods will occur within the Lakeland retail trade area. These calculations yield a requirement for 160 gross acres for retail development, both in

Lakeland and elsewhere in the trade area. Square footage and acreage for service businesses and public/non-profit establishments would be in addition to the requirements shown in Table 12.[13]

Table 12
Growth Assumptions to 2020
Lakeland Retail Trade Area

	2007	2020	Change
Population	31,971	75,777	43,806
Households	11,383	27,974	16,591
Average Household Income (2007$)	$77,935	$77,122	($813)
Aggregate Household Income (2007$)	$887,134,105	$2,157,410,828	$1,270,276,723
% Spent on Retail Goods	33.47%	33.47%	0
Total Retail Spending	$296,923,785	$722,085,404	$425,161,619
% Potentially Spent in Trade Area[14]	41.30%	41.30%	0
Trade Area Potential Sales (2007$)	$122,629,523	$298,221,272	$175,591,749
Sales Per Square Foot	$265.96	$265.96	0
Required Square Footage	461,088	1,121,314	660,226
Acres Required	66	160	94
Local Option Sales Tax (city portion)	$1,379,582	$3,354,989	$1,975,407

Estimated spending in the trade area for 2007 (Column 1 in Table 12) is based on the same assumptions of retail spending per household as used for the 2020 projection (Column 2) and does not represent actual 2007 trade area sales or square footage.[15] These 2007 estimates are used only to calculate possible changes in retail growth between 2007 and 2020. This calculation suggests that an additional $176 million in retail sales, requiring 94 acres, could be added. This would bring total trade area retail sales to $458 million by 2020 ($383 million in current retail sales from Table 5, plus the $176 million gained between 2007 and 2020).

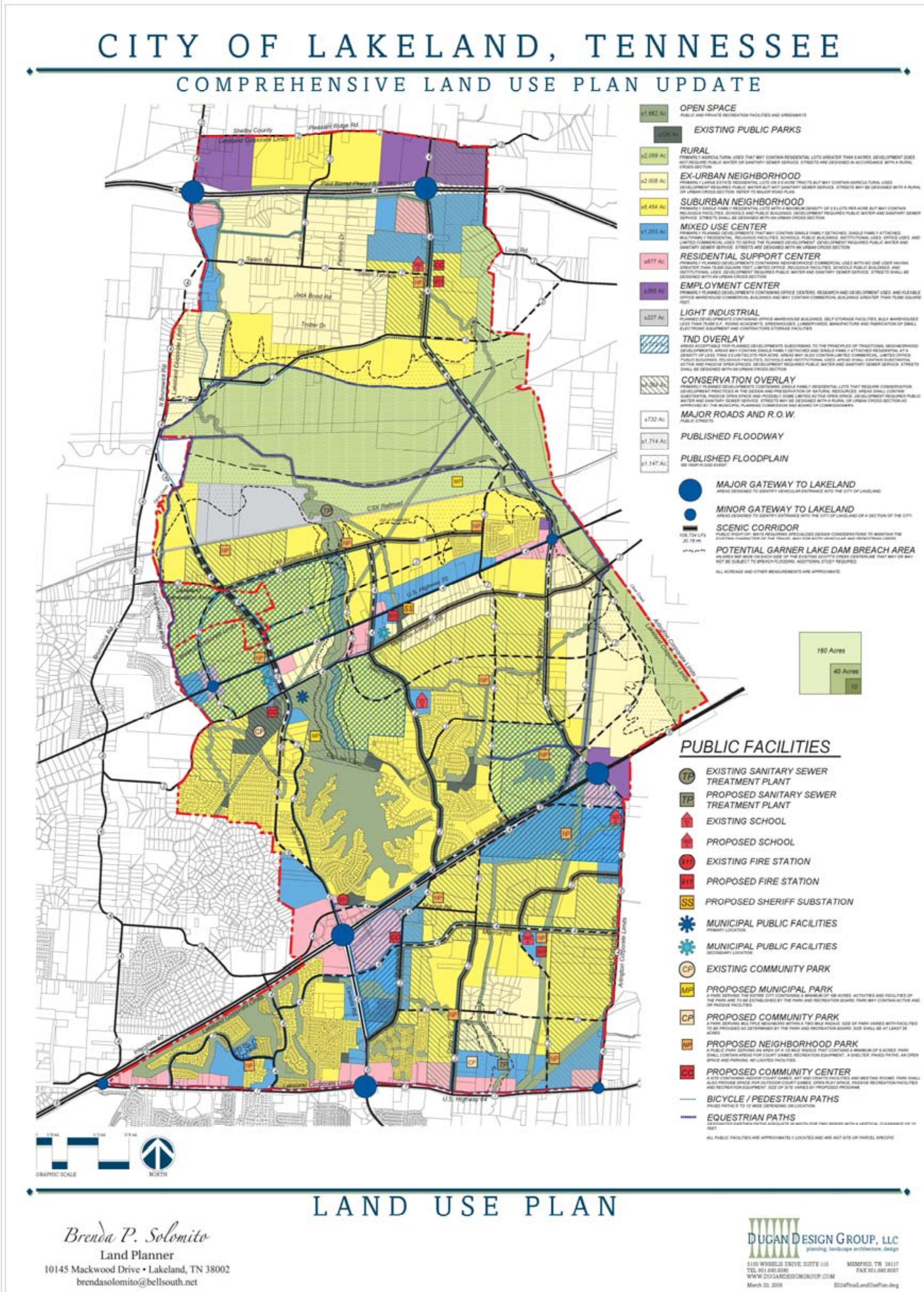
The City of Lakeland's current comprehensive plan allocates sufficient land for retail use to easily accommodate the 160 acres in our 2020 projection. The comprehensive plan's Residential Support Center (RSC) classification, with 670 acres, can accommodate neighborhood retail and

[13] Certain sales by service businesses are taxable in Tennessee, however, these represent only a small portion of service industry revenues.
[14] Represents convenience goods typically purchased in neighborhood or community shopping centers and is based on review of current retail activity in the Lakeland retail trade area. Our assumption assumes 100% capture of convenience goods spending by stores in the Lakeland retail trade area and consequently may be overly optimistic.
[15] We estimate the trade area currently has $383 million in retail sales (Table 5). The difference between $383 million and the $123 million in Column 1 of Table 12 represents sales to customers outside the trade area and sales of non-convenience goods.

service businesses, along with schools, churches, and government offices.[16] Most likely, any business in our recommendations would fit into the RSC land use classification, yet most businesses identified in our analysis could be suitable for other land use categories established by the city. Lakeland's Comprehensive Land Use Plan Update Map of March 20, 2006 (on following page) shows the largest portion of the Residential Support Center land use to be around the I-40/Canada Road interchange and along Highway 64, with smaller sections along Highway 70.

An Employment Center classification including up to 375 acres is designed for larger "big box" retailers where size may exceed 75,000 square feet. This classification would be appropriate for additional supermarkets or large drug stores in the future, and could also include a large mass merchandise store. In addition to the Residential Support and Employment Center classifications, Mixed Use and TND Overlay classifications will be allowed to have limited retail components. Employment Center land use is reserved for Highway 385 interchanges and a future I-40/Chambers Chapel interchange. The Mixed Use classification is in several locations throughout the city and along major roads.

[16] J. Higbee, City of Lakeland Growth Management Director, memorandum of May 24, 2007.


CITY OF LAKELAND, TENNESSEE
COMPREHENSIVE LAND USE PLAN UPDATE
OPEN SPACE
EXISTING PUBLIC PARKS
RURAL
EX-URBAN NEIGHBORHOOD
SUBURBAN NEIGHBORHOOD
MIXED USE CENTER
RESIDENTIAL SUPPORT CENTER
EMPLOYMENT CENTER
LIGHT INDUSTRIAL
TND OVERLAY
CONSERVATION OVERLAY
MAJOR ROADS AND R.O.W.
PUBLISHED FLOODWAY
PUBLISHED FLOODPLAIN
MAJOR GATEWAY TO LAKELAND
MINOR GATEWAY TO LAKELAND
SCENIC CORRIDOR
POTENTIAL GARNER LAKE DAM BREACH AREA
160 Acres
40 Acres
10
PUBLIC FACILITIES
EXISTING SANITARY SEWER TREATMENT PLANT
PROPOSED SANITARY SEWER TREATMENT PLANT
EXISTING SCHOOL
PROPOSED SCHOOL
EXISTING FIRE STATION
PROPOSED FIRE STATION
PROPOSED SHERIFF SUBSTATION
MUNICIPAL PUBLIC FACILITIES
MUNICIPAL PUBLIC FACILITIES
EXISTING COMMUNITY PARK
PROPOSED MUNICIPAL PARK
PROPOSED COMMUNITY PARK
PROPOSED NEIGHBORHOOD PARK
PROPOSED COMMUNITY CENTER
BICYCLE / PEDESTRIAN PATHS
EQUESTRIAN PATHS
GRAPHIC SCALE
NORTH
LAND USE PLAN
Brenda P. Solomito
Land Planner
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DUGAN DESIGN GROUP, LLC

The analysis shown in Table 12 is based on the *potential* demand for retail square footage derived from our consumer spending projections for the entire Lakeland retail trade area. However, calculations based on commercial land allocations from Lakeland's Comprehensive Land Use Map indicate the city has sufficient land to support between 597 to 678 acres of commercial development (which could yield between $10.6 million and $16.6 million in estimated city sales tax revenue).[17] It should be noted that these two calculations do not measure the same thing. The first represents potential demand for retail square footage in 2020, while the second shows commercial land available at the city's "full build-out" which will likely be beyond 2020. These two analyses indicate that available land for retail development exceeds the likely demand for retail acreage for at least the near future.

Regional Shopping Centers

This study has focused primarily on businesses serving a local market, e.g. the Lakeland retail trade area. However, regional shopping centers such as large malls or outlet centers serve much larger areas due to their large number of stores including major anchors that have strong customer appeal. As mentioned earlier, the Lakeland Factory Outlet Mall no longer a prime regional shopping center. However, with appropriate redevelopment efforts this property has the potential to attract shoppers from a region much larger than the trade area used in our analysis. Its location on I-40, in an area of high population growth, with proximity to Wolfchase Galleria presents significant opportunities for redevelopment. If the outlet center, with 298,750 square feet (mall plus annex), was performing at par with other regional shopping centers it could generate up to $70 million in retail sales and produce over $750,000 in local option sales tax revenue.[18]

While a major retail shopping center in Lakeland would certainly draw local customers, most would come from outside the Lakeland trade area. Increased sales revenue at the Lakeland Factory Outlet Mall, or other regional shopping center, would most likely not seriously impact the retail opportunities outlined in this study, which generally include businesses offering convenience shopping for relatively small geographic areas.

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[17] Memorandum of January 23, 2006 from Brenda Solomito to J. Higbee regarding projected sales tax revenues.
[18] This tax revenue would not be totally incremental to the city budget as the mall currently produces retail sales and tax revenues.

Conclusions/Recommendations

This study is based on an assessment of retail conditions as of mid 2007. It should be recognized that the Lakeland area is dynamic and any number of events might occur that can change demand or supply factors for retail square footage. In addition to changes in the rate of population growth, large residential developments such as Lakeland Green, new interstate interchanges, major shopping center developments, and other events can significantly alter the findings in this study. Consequently, this study may need to be updated periodically, potentially in five to seven years unless major events occur that could change supply and demand. However, periodic monitoring of retail needs can be accomplished by the city through the tracking of retail sales data and population growth estimates.

APPENDIX

DemographicsNow
A Product of SRC

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Date: 05/25/07
Current Geography Selection: Census Tracts: 47157020810, 47157020820, 47157020830, 47157020900...

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Motor Vehicle & Parts Dealers				
551102	44111001	CHRYSLER SERVICE TRAINING	MEMPHIS	1 to 4
		SUNRISE PONTIAC-GMCLLC	BARTLETT	50 to 99
551103	44112005	COUSINS AUTO SALES	ARLINGTON	1 to 4
		HIGHWAY 64 AUTO SALES	EADS	1 to 4
		QUALITY USED CARS	ARLINGTON	1 to 4
		RAPID SALES & RENTAL	ARLINGTON	1 to 4
557102	44122104	SPEEDWAY SALES	ARLINGTON	1 to 4
553111	44131011	ADVANCE AUTO PARTS	ARLINGTON	5 to 9
		AUTOZONE	ARLINGTON	5 to 9
553123	44132001	GATEWAY TIRE & SVC	ARLINGTON	10 to 19

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Furniture & Home Furnishings Stores				
571216	44211012	ARLINGTON FURNITURE	ARLINGTON	1 to 4
		FURNITURE OUTLET	LAKELAND	1 to 4
571305	44221001	ALL ABOUT FLOORS	MEMPHIS	5 to 9
		TIM HOGAN'S ABBEY CARPETS	LAKELAND	10 to 19
571306	44221010	SOURCE ONE FLOORING & STONE CO	BARTLETT	1 to 4
571407	44229101	TODD'S DRAPERY	LAKELAND	1 to 4
Electronics & Appliance Stores				
571917	44229109	BLINDS TODAY	LAKELAND	1 to 4
		BUDGET BLINDS	LAKELAND	5 to 9
573107	44311218	BARTLETT SATELLITE TV CO	LAKELAND	1 to 4
		AMERICA BEST SATELLITE SYSTEMS	ARLINGTON	5 to 9
		MEMPHIS SATELLITE & CABLING	ARLINGTON	1 to 4
573121	44311227	MEMPHIS PLASMA	ARLINGTON	1 to 4
573401	44312007	DSG INC	LAKELAND	5 to 9
		SOFTWARE ENGINEERING SVC	LAKELAND	5 to 9
		SPECTRUM TECHNOLOGIES	LAKELAND	50 to 99
		BUSINESS COMPUTERS-MEMPHIS INC	MEMPHIS	20 to 49
		PRODUCT QUEST	ARLINGTON	20 to 49

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Building Materials & Garden Supply Dealers				
521126	44411001	H W JENKINS CO	ARLINGTON	5 to 9
525104	44413005	HARDWARE SALES CO	CORDOVA	1 to 4
		S Y WILSON & CO	ARLINGTON	1 to 4
521131	44419017	HAROLD'S GARAGE DOORS	BRIGHTON	1 to 4
523110	44419031	BINSWANGER GLASS CO	ARLINGTON	5 to 9
521119	44419059	CORDOVA CUSTOM SHUTTERS & BLND	LAKELAND	1 to 4
526137	44421002	HANNAHS SMALL ENGINE REPAIR	ARLINGTON	1 to 4
526101	44421003	AMERYS GARDEN SHOP	ARLINGTON	1 to 4
526104	44422008	DAN WEST GARDEN CTR INC	EADS	5 to 9
526134	44422011	NATURE'S EARTH PRODUCTS	ARLINGTON	20 to 49
526108	44422012	STOCKYARD HORTICULTURAL SUPPLY	ARLINGTON	5 to 9
		BRUNSWICK CO	ARLINGTON	1 to 4
526136	44422029	GEMINI IRRIGATION CO	LAKELAND	1 to 4
		ROOF RAIN SPRINKLER SYSTEMS	CORDOVA	5 to 9

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Food Stores				
541101	44511001	ARLINGTON MARKET & DELI	ARLINGTON	10 to 19
541105	44511003	KROGER	ARLINGTON	100 to 249
		GORDINS FOODS & BUTCHER SHOP	ARLINGTON	20 to 49
541103	44512001	ADAM BEVERAGE BARN	CORDOVA	1 to 4
		64 MARKET & DELI	ARLINGTON	5 to 9
592102	44531004	CAESAR'S WINE & LIQUOR	ARLINGTON	1 to 4
		M & J WINE & SPIRITS	CORDOVA	5 to 9
		ARLINGTON LIQUORS	ARLINGTON	1 to 4
Health & Personal Care Stores				
591205	44611009	FRED'S EXPRESS PHARMACY	ARLINGTON	5 to 9
		WALGREENS	LAKELAND	20 to 49
599992	44612001	BARBARA VAUGHN	CORDOVA	1 to 4
		MARY KAY COSMETICS	MEMPHIS	1 to 4
		PERFUMANIA	LAKELAND	5 to 9
599502	44613003	GENERAL OPTHALMICS	LAKELAND	1 to 4
		SAMS VISION CTR	BARTLETT	5 to 9
		WAL-MART VISION CTR	BARTLETT	1 to 4
549904	44619106	VITAMIN WORLD	LAKELAND	5 to 9
554101	44719005	AIR LINE FOOD & FUEL	ARLINGTON	1 to 4
		EADS BP FOOD MART	EADS	1 to 4
		TUGWELL OIL CO INC-EXXON PRODS	ARLINGTON	5 to 9
		TIGER MART EXXON	LAKELAND	10 to 19
		AMERICAN TRAVEL CTR	LAKELAND	1 to 4
		ASA FOOD LLC	LAKELAND	1 to 4
		EXXON PRODUCTS	ARLINGTON	1 to 4

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Clothing & Clothing Accessories Stores				
561101	44811006	CASUAL MALE BIG & TALL	LAKELAND	1 to 4
562101	44812010	BON WHORTH INC	LAKELAND	1 to 4
		RUE 21	LAKELAND	5 to 9
		DRESS BARN WOMAN	LAKELAND	5 to 9
564103	44813003	HAPPY HEART	ARLINGTON	1 to 4
565101	44814001	FASHION TRUNK DIRECT	MEMPHIS	1 to 4
		AMERICAN CLOTHING	MEMPHIS	10 to 19
		VF FACTORY OUTLET	LAKELAND	20 to 49
561102	44815048	CALLAN SALVAGE & APPRAISAL CO	EADS	10 to 19
		MARRS INC	ARLINGTON	10 to 19
		WORLD SALES LIQUIDATORS	EADS	20 to 49
569906	44819011	A FRAYED KNOT	LAKELAND	1 to 4
566101	44821007	BASS FOOTWEAR	LAKELAND	5 to 9
		HUSH PUPPIES FACTORY DIRECT	LAKELAND	1 to 4
		PAYLESS SHOE SOURCE	BARTLETT	1 to 4

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Sporting Goods, Hobby, Book & Music Stores				
594141	45111006	R B'S CYCLERY INC	MEMPHIS	1 to 4
594501	45112011	ARTITUDES	ARLINGTON	5 to 9
594509	45112020	LAN MATRIX	CORDOVA	1 to 4
594517	45112035	KB TOYS	LAKELAND	5 to 9
571404	45113017	QUILTING BARN	ARLINGTON	1 to 4
539901	45299006	RICH PRODUCTS	ARLINGTON	100 to 249
533101	45299013	DOLLAR GENERAL	ARLINGTON	1 to 4
533101	45299013	OLD TIME POTTERY	LAKELAND	20 to 49
533101	45299013	DOLLAR GENERAL	ARLINGTON	5 to 9

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Miscellaneous Store Retailers				
599201	45311001	ARLINGTON FLORIST	ARLINGTON	1 to 4
599201	45311001	FLOWERS & GIFTS BY REGIS	ARLINGTON	1 to 4
594705	45322005	MEMORABILIA	LAKELAND	1 to 4
594712	45322013	LATEST CRAZE	LAKELAND	1 to 4
594712	45322013	PERFECT GIFT	ARLINGTON	1 to 4
593204	45331014	FINE FURNITURE CONSIGNMENT	LAKELAND	1 to 4
593218	45331017	TOP DOG TRADE CTR	EADS	20 to 49
599993	45399812	DAN BABB ENTERPRISES	LAKELAND	1 to 4
599931	45399832	L'EGGS HANES BALI OUTLET	LAKELAND	5 to 9
596201	45421005	CHRISTENSEN CO	LAKELAND	1 to 4
596305	45439007	MAINES PAPER & FOOD SVC	ARLINGTON	10 to 19
596301	45439017	NICHOLAS TOOMBS	LAKELAND	1 to 4
Gasoline Stations				
554101	44719005	Airline Food & Fuel	Arlington	1 to 4
554101	44719005	American Travel Center	Lakeland	1 to 4
554101	44719005	ASA Food LLC	Lakeland	1 to 4
554101	44719005	Eads BP Food Mart	Eads	1 to 4
554101	44719005	Exxon Products	Arlington	1 to 4
554101	44719005	Tiger Mart Exxon	Lakeland	10 to 19
554101	44719005	Tugwell Oil Co./Exxon	Arlington	5 to 9

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Food Services & Drinking Places				
581208	72221105	ARLINGTON BARBEQUE CO	ARLINGTON	10 to 19
581208	72221105	BACK YARD BURGERS	ARLINGTON	20 to 49
581203	72221313	BASKIN-ROBBINS	ARLINGTON	5 to 9
581208	72221105	BIG MOMMA'S KITCHEN	ARLINGTON	5 to 9
581208	72221105	BISTRO BURGER	CORDOVA	1 to 4
581209	72221103	BOGIE'S DELI	ARLINGTON	1 to 4
581209	72221103	CHECKERED FLAG DELI	ARLINGTON	5 to 9
581208	72221105	CHESTER'S LLC	ARLINGTON	5 to 9
581208	72221105	CHINA PEARL RESTAURANT	ARLINGTON	5 to 9
581208	72221105	COMMON GROUND COFFEE BAR & GFT	ARLINGTON	10 to 19
581208	72221105	CRACKER BARREL OLD COUNTRY STR	LAKELAND	100 to 249
581222	72211016	DOMINO'S PIZZA	CORDOVA	10 to 19
581208	72221105	FIREBIRDS ROCKY MOUNTAIN GRILL	MEMPHIS	100 to 249
581236	72221318	GRAPEVINE	ARLINGTON	1 to 4
581208	72221105	LENNY'S SUB SHOP	ARLINGTON	10 to 19
581209	72221103	LENNY'S SUB SHOP	ARLINGTON	10 to 19
581203	72221313	LICKETY SPLIT MOBILE ICE CREAM	ARLINGTON	5 to 9
581208	72221105	MAYO'S BURGER & WINGS	ARLINGTON	1 to 4
581208	72221105	MC DONALD'S	MEMPHIS	5 to 9
581208	72221105	MC DONALD'S	LAKELAND	20 to 49
581208	72221105	PANDA CHINA RESTAURANT	ARLINGTON	10 to 19
581222	72211016	PAPA JOHN'S PIZZA	ARLINGTON	20 to 49
581208	72221105	PERICOS MEXICAN RESTAURANT	ARLINGTON	5 to 9
581208	72221105	PIZZA HUT	MEMPHIS	20 to 49
581208	72221105	PIZZA PRO LAKELAND	ARLINGTON	10 to 19
581208	72221105	PIZZA PRO OF BARTLETT	ARLINGTON	10 to 19
581208	72221105	RIZZI'S PIZZA CAFE	ARLINGTON	1 to 4
581208	72221105	SONIC DRIVE-IN	ARLINGTON	50 to 99
581208	72221105	SUBWAY SANDWICHES & SALADS	LAKELAND	5 to 9
581208	72221105	SUBWAY SANDWICHES & SALADS	ARLINGTON	5 to 9
581208	72221105	SUBWAY SANDWICHES & SALADS	CORDOVA	5 to 9

APPENDIX A: TRADE AREA RETAIL ESTABLISHMENTS

Primary SIC	NAICS Code	Company Name	City	Number of Employees
Food Services & Drinking Places				
581208	72221105	T J MULLIGANS	CORDOVA	10 to 19
581208	72221105	VINEGAR JIM'S	ARLINGTON	5 to 9
581208	72221105	WAFFLE HOUSE	LAKELAND	10 to 19
581208	72221105	WENDY'S	ARLINGTON	20 to 49
581208	72221105	X2L	ARLINGTON	20 to 49
581208	72221105	YUME SUSHIYA	ARLINGTON	5 to 9
581208	72221105	ZAXBY'S	ARLINGTON	10 to 19
581223	72231001	CLUB WINDWARD INC	LAKELAND	1 to 4
581223	72231001	DAVIES MANOR ASSN	MEMPHIS	1 to 4